

## Internal Revenue Service

Department of the Treasury  
Washington, DC 20224

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### Legend

Taxpayer =

StateA =

Date1 =

Date2 =

Date3 =

Date4 =

Dear :

This letter responds to your representative's letter, dated June 20, 2007, requesting various rulings under the Internal Revenue Code ("the Code"). Additional information was submitted in subsequent correspondence.

Taxpayer incorporated in StateA on Date1. Taxpayer was administratively dissolved effective Date2, for failure to pay franchise taxes. Unaware of this development, Taxpayer continued to file Form 1120 and to pay all corporate taxes as they came due. Taxpayer learned of the administrative dissolution on Date3. On Date4, Taxpayer reincorporated in StateA.

The core test of corporate existence for purposes of Federal income taxation is always a matter of Federal law. See Ochs v. United States, 158 Ct. Cl. 115, 119, 305 F.2d 844, 847 (1962).

Based solely on the facts submitted and the representations made, we conclude the following: (1) Taxpayer's status as a corporation for Federal tax purposes was not terminated by reason of the administrative dissolution and subsequent reincorporation under state law; (2) the administrative dissolution and subsequent reincorporation of Taxpayer under state law did not, by itself, result in a distribution or transfer of property for purposes of sections 301(a), 311(a)(2), 331(a), 336(a), or 351 of the Code; (3) Taxpayer's administrative dissolution and subsequent reincorporation under state law will not affect its shareholders' bases and holding periods in Taxpayer corporation stock; and (4) Taxpayer is not required to apply for a new employer identification number and can continue to use the number assigned prior to the state law dissolution.

Except as expressly provided herein, no opinion is expressed or implied concerning the Federal tax consequences of any aspect of any transaction or item discussed or referenced in this letter.

The rulings contained in this letter are based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings it is subject to verification on examination.

This ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Code provides that this private letter ruling may not be used or cited as precedent. A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this requirement by attaching a statement to their return that provides the date and control number of the letter ruling.

Pursuant to the power of attorney on file in this matter, a copy of this letter is being sent to your authorized representative.

Sincerely

*T. Ian Russell*  
T. Ian Russell  
Senior Counsel, Branch 5  
Office of Associate Chief Counsel  
(Corporate)